



Department of Energy

Washington, DC 20585

March 24, 2009

MEMORANDUM FOR FIELD CHIEF FINANCIAL OFFICERS

FROM:


LOIS A. JESSUP, ACTING DIRECTOR
OFFICE OF FINANCIAL POLICY

SUBJECT:

Increase to General Plant Projects Limit

The purpose of this memorandum is to increase the General Plant Projects (GPP), and thereby Institutional General Plant Projects (IGPP), limit from \$5 million to \$10 million. GPPs are necessary to adapt facilities to new or improved production techniques; to affect economies of operation; and to reduce or eliminate health, fire, and safety problems. As specified in DOE O 430.1B, *Real Property Asset Management*, these projects provide for design, construction, additions and/or improvements to land, buildings, and utility systems. These projects include the construction of small new buildings, replacements or additions to roads, and general area improvements. IGPPs are a class of GPP that are of a general institutional nature whose benefit cannot be directly attributable to a specific or single program and are required for a general site-wide need.

On March 11, 2009, Omnibus Appropriation Act, 2009 became law and increased the Congressionally established limit for the Department's GPPs. Specifically, Section 310 permits plant or construction projects for which amounts with an estimated cost of less than \$10,000,000 be considered a plant project for which the approved Total Estimated Cost does not exceed the minor construction threshold. The Congressional language increasing the limit to \$10,000,000 is attached. The Office of Engineering and Construction Management will be updating DOE O 430.1B for the increased limit. If you have any questions, please contact John Wall at (202) 586-5728.

Attachment

Attachment 1

Omnibus Appropriation Act, 2009

SEC. 310. GENERAL PLANT PROJECTS. Plant or construction projects for which amounts are made available under this and subsequent appropriation Acts with a current estimated cost of less than \$10,000,000 are considered for purposes of section 4703 of Public Law 107-314 as a plant project for which the approved total estimated cost does not exceed the minor construction threshold and for purposes of section 4704 of Public Law 107-314 as a construction project with a current estimated cost of less than a minor construction threshold.